

Satellite 2002 Europe

FCC Spectrum Policy Task Force

Findings and Recommendations

December 11, 2002

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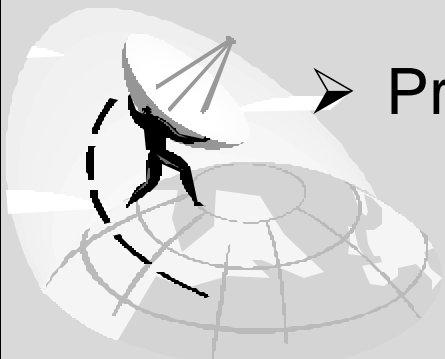
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Federal Communications Commission



Outline

- Introduction
- Spectrum Policy Reform: The Time is Now
- Overall Findings and Recommendations
- Interference Avoidance
- Spectrum Usage Models
- Promoting Access to Spectrum



Introduction

- **Task Force Goals and Objectives**
 - Improve the way that the radio spectrum is “managed” in the U.S.
 - Identify and evaluate changes in spectrum policy to increase the public benefits derived from use of radio spectrum
 - Provide specific recommendations to FCC for ways in which to evolve the current “command and control” approach to spectrum policy into more integrated, market-oriented approach
 - greater regulatory certainty
 - minimizing regulatory intervention
 - Assist the Commission in addressing ubiquitous spectrum issues
 - interference protection
 - spectral efficiency
 - effective public safety communications
 - international spectrum policies



Introduction (ctd.)

- Task Force has begun process of reexamining 90 years of spectrum policy to ensure that Commission's policies evolve with the consumer-driven evolution of new wireless technologies, devices, and services.
- Creation of the Task Force initiated the first ever comprehensive and systematic review of spectrum policy at the FCC.
- Task Force is a team of high-level, multi-disciplinary professional FCC staff – economists, engineers, and attorneys – from across the Commission's Bureaus and Offices
- Task Force hopes and expects that its work will serve as a catalyst for further advancement of spectrum policy at the FCC.

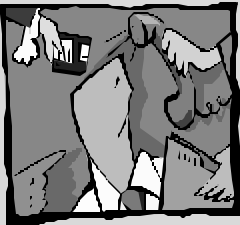


Introduction (ctd.): Task Force Chronology

- **June**
 - Spectrum Policy Task Force Formed
 - Public Notice Seeking Comments on Spectrum Policy Issues
- **July**
 - Received and Reviewed 200 Public Comments Received in Response to Public Notice
- **Early August** – All-Day Public Workshops
 - 1 August: Unlicensed Devices and Experimental Licenses
 - 2 August: Interference Protection
 - 5 August: Spectrum Efficiency
 - 9 August: Spectrum Rights and Responsibilities
- **September** – Task Force Findings and Recommendations
- **October** – Draft Report
- **November** – Report Presented to Commission & Released



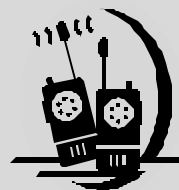
Spectrum Policy Reform: The Time is Now

- Increasing demand for spectrum-based services and devices is straining longstanding and outmoded spectrum policies.
- Demand propelled by a host of factors:
 - economy has moved towards communications-intensive service sector
 - American workforce is increasingly mobile
 - consumers have been quick to embrace the convenience and increased efficiency of multitude of wireless devices available today
 - advances in technologies have significantly increased diversity of service offerings and have qualitatively improved existing services and devices, particularly for Internet and wireless data, which can be delivered at faster rates.
 - businesses and homes with multiple computers growing and users installing local area networks to share resources.



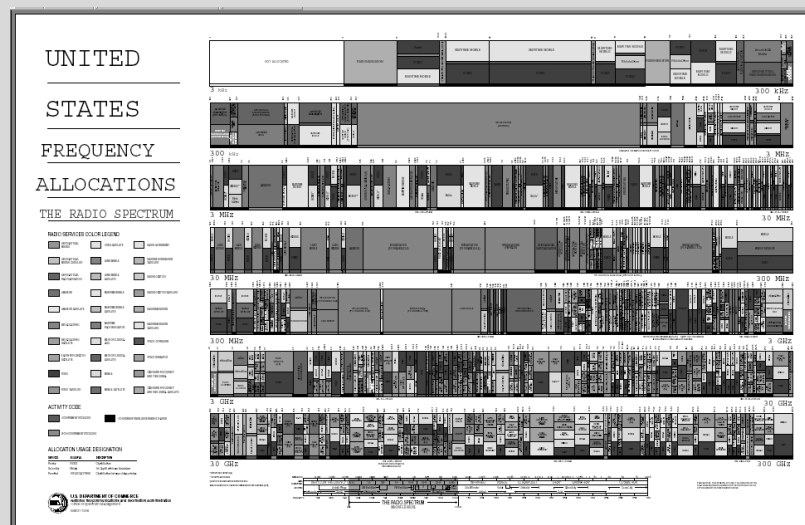
Spectrum Policy Reform: The Time is Now

- Technological advances are enabling changes in spectrum policy
 - Technology providing potential answers to current spectrum policy challenges.
 - increased use of digital technologies
 - Increase potential throughput of information
 - Interference management:
 - » digital signals inherently more robust, and resistant to interference, than analog signals.
 - » digital signal processing techniques, such as coding and error correction, more effective at rejecting interfering signals.
 - development of software-defined radios
 - operating parameters in radios (such as operational frequency and modulation type) determined by re-programmable software
 - also called “smart” or “opportunistic” technologies because, due to their operational flexibility, can search the radio spectrum, sense the environment, and operate in spectrum not in use by others
 - by operating in so-called white – or unused – spaces in the spectrum, can enable better and more intensive use of spectrum



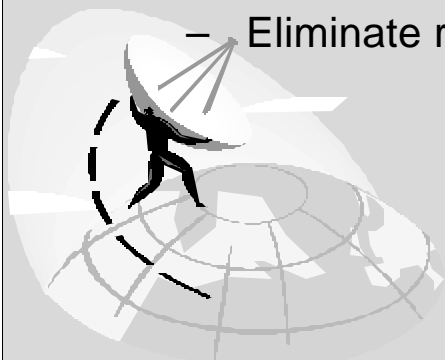
Spectrum Policy Reform: The Time is Now

- Increased access can mitigate scarcity of spectrum resource
 - Most “prime spectrum” has already been assigned to one or more parties, and it is becoming increasingly difficult to find spectrum that can be made available either for new services or to expand existing ones.
 - Improving access to the spectrum can be achieved through permitting licensees greater flexibility.



Major Findings & Recommendations

- Technology advances create potential for radio systems to use spectrum more intensively and to be more tolerant of interference.
- In many bands, spectrum access more significant problem than physical scarcity, in large part due to legacy command-and-control regulation.
 - Preliminary data and general observations indicate many portions of spectrum not in use for significant periods of time, and spectrum use of “white spaces” (both temporal and geographic) can be increased significantly.
 - Additional information and measurement needed to more accurately quantify and characterize spectrum usage and availability.
- Spectrum policy must evolve towards more flexible and market-oriented regulatory models to increase opportunities for technologically innovative and economically efficient spectrum use.
 - Eliminate regulatory barriers to increased spectrum access.



Major Findings & Recommendations (Ctd.)

- Models must be based on clear definitions of rights and responsibilities of both licensed and unlicensed spectrum users, particularly with respect to interference protection.
- No single regulatory model should be applied to all spectrum:
 - pursue balanced spectrum policy that includes both the granting of exclusive spectrum usage rights through market-based mechanisms and creating open access to spectrum “commons,” with command-and-control regulation used in limited circumstances.
- Implement policies in both newly allocated bands and in spectrum that is already occupied (but appropriate transitional mechanisms should be employed to avoid degradation of existing services and uses).



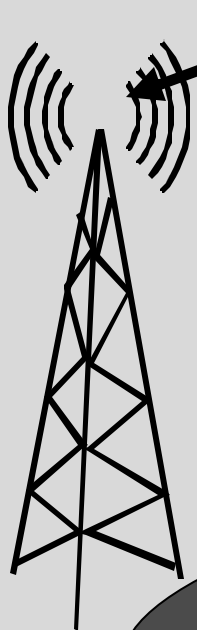
Major Findings & Recommendations (Ctd.)

- Migrate from current command and control model to more market-oriented exclusive rights model and unlicensed device/commons model
- Implement ways to increase access to spectrum (in time, frequency, bandwidth, and space) for both unlicensed and licensed users
- Implement new paradigm for interference protection



Interference Avoidance

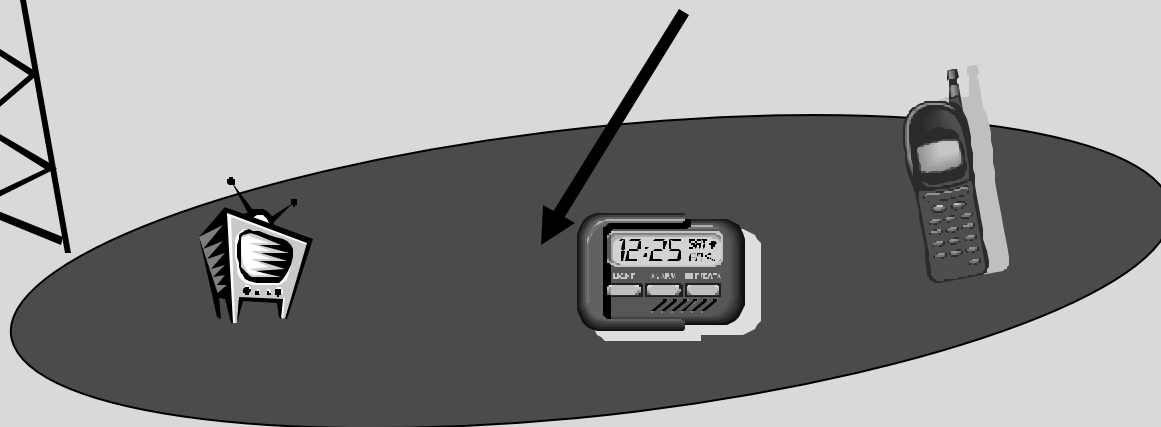
It doesn't matter what the signal level is here!



Interference
Temperature



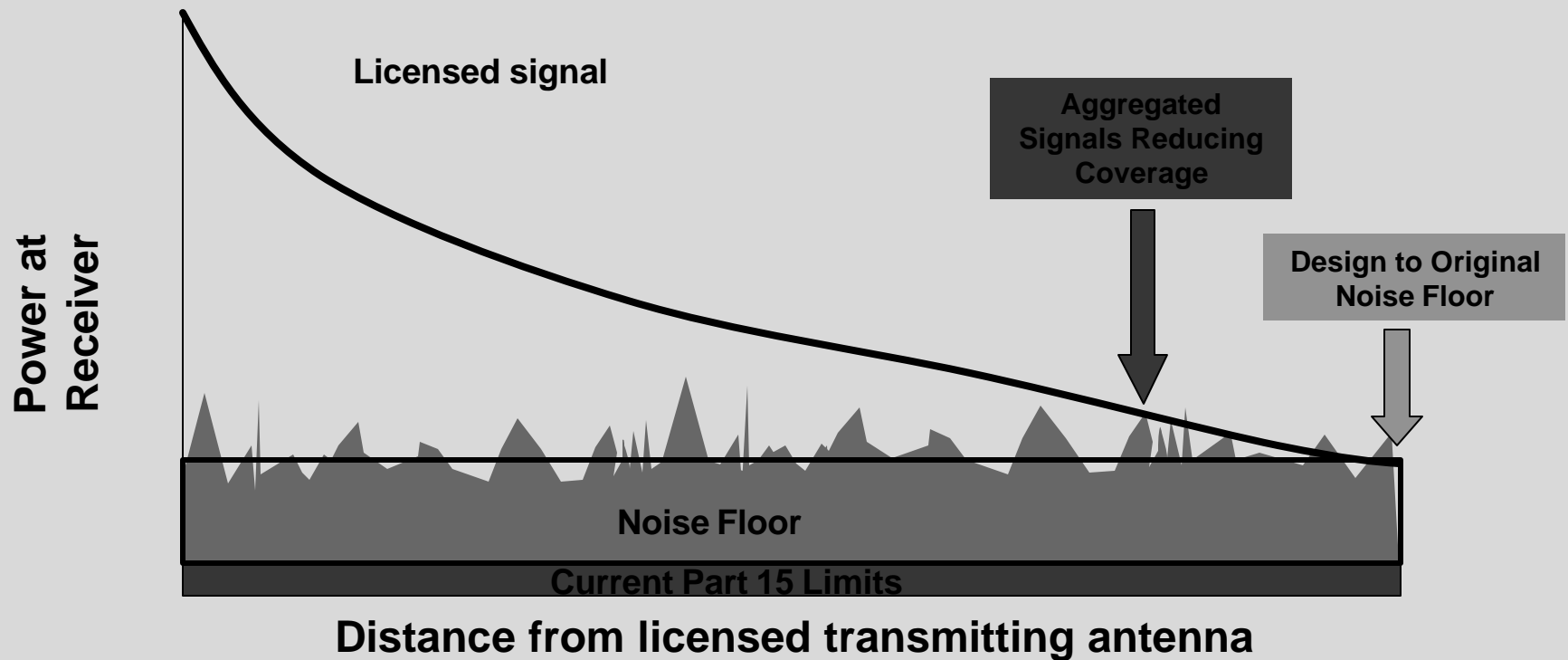
It matters what the signal level is here!



Define “interference temperature” – total RF energy from both ambient noise and other sources

Interference Avoidance

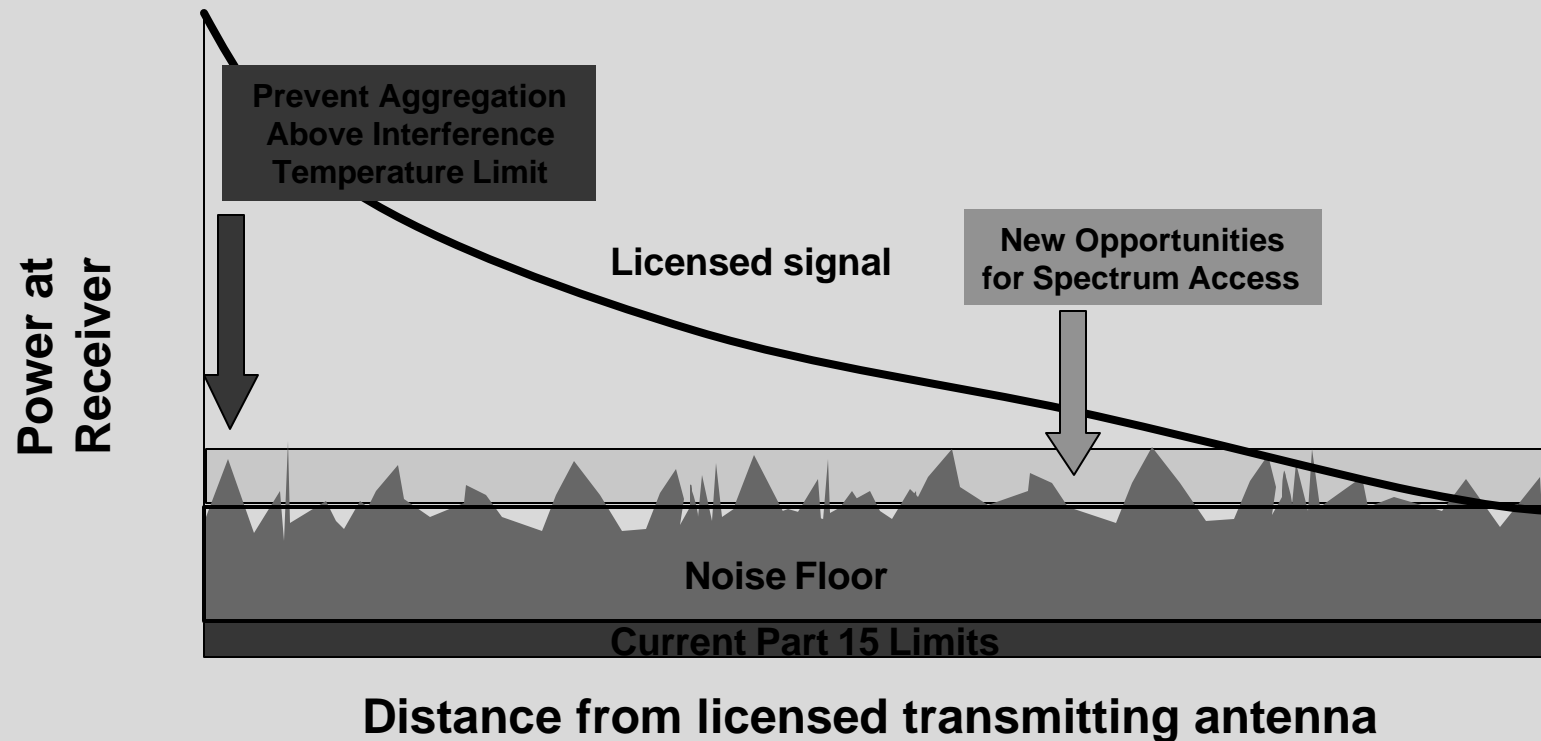
Tolerance of Interference - Today



- **License Holders Design System to Operate down to the Noise Floor**
 - Any additional interfering signals (including aggregation of unlicensed devices) can cause degradation

Interference Avoidance

Tolerance of Interference - Future



- Quantify acceptable levels of interference
 - More Certainty for Licensees
 - More Opportunity for Consumer Devices

Interference Avoidance

Recommended Methods of Interference Control

- Adopt a more quantitative approach to interference management based on the concept of “interference temperature.”
 - Interference temperature metric would establish maximum permissible levels of interference, characterizing the “worst case” environment in which a receiver would be expected to operate.
 - Different threshold levels could be set for each band, geographic region or service -- set only after review of the condition of the RF environment in each band.
 - systematic study of the RF noise floor necessary
- Receiver performance requirements for some bands and services, through incentives, mandates, or some combination of incentives and mandates.



Spectrum Usage Models

- “One size does not fit all” in spectrum policy -- the Commission should consider a balance among three general models for assigning spectrum usage rights:
 - “Exclusive use” model. Licensee has exclusive and transferable flexible use rights for specified spectrum within a defined geographic area, with flexible use rights governed primarily by technical rules to protect users against harmful interference.
 - “Commons” model. Allows unlimited numbers of unlicensed users to share frequencies, with usage rights that are governed by technical standards or etiquettes but with no right to protection from interference.
 - “Command-and-control” model. The traditional process of spectrum management in the US, currently used for most spectrum within the Commission’s jurisdiction, in which allowable spectrum uses are limited based on regulatory judgments.



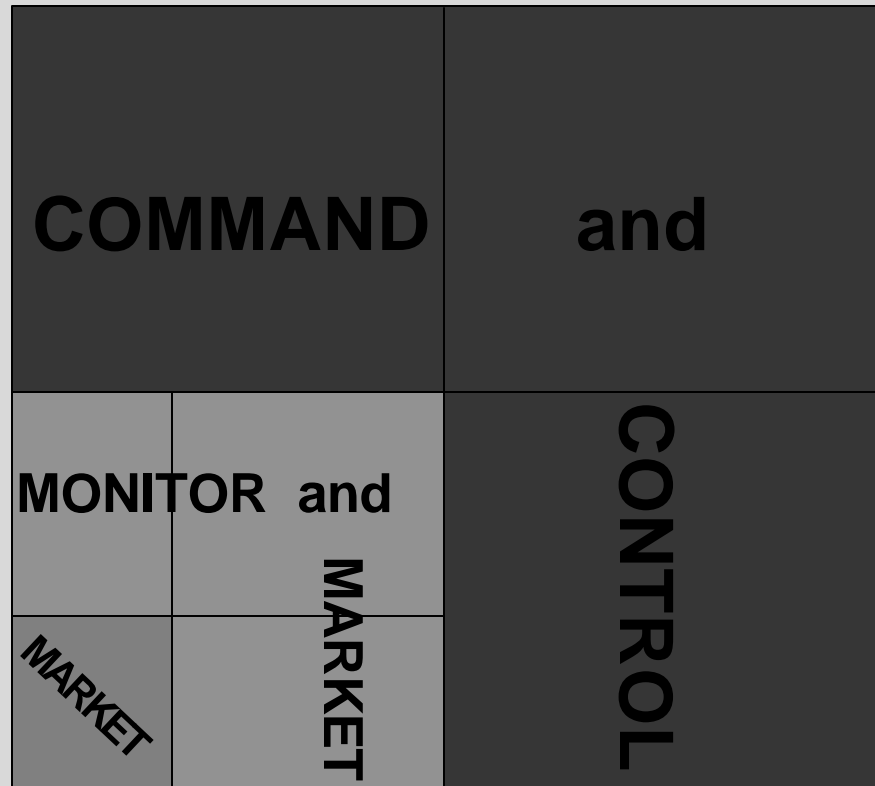
Current State of the Spectrum

Sensitivity to Interference

High

Medium

Low



Low

Medium

High

“Power”

Command
And Control

Market-
Based
Services

Market-
Based
Devices



Evolve Into This

Sensitivity to Interference

High

Medium

Low

COMMAND		and
MONITOR	and	CONTROL
MARKET	MARKET	

Low

Medium

High

“Power”

Command
And Control

Market-
Based
Services

Market-
Based
Devices



Spectrum Usage Models

- Commission should expand the use of both the exclusive use and commons models throughout the radio spectrum
 - Exclusive use model should be applied primarily but not exclusively in bands where scarcity is relatively high and transaction costs associated with market-based negotiation of access rights are relatively low.
 - Commons model should be applied primarily but not exclusively in bands where scarcity is relatively low and transaction costs are relatively high.
 - Commons approach also has potential applicability in the creation of “underlay” rights in spectrum for low-power, low-impact applications, e.g., for operations below an established interference temperature threshold.



Spectrum Usage Models

- Command-and-control regulation should be reserved only for situations where prescribing spectrum use by regulation is necessary to accomplish important public interest objectives or to conform to treaty obligations.
 - Dedication of spectrum in conformity with international harmonization considerations is sometimes appropriate to foster internationally ubiquitous services and economies of scale.
 - Spectrum currently set aside for public safety use should remain subject to the command-and-control model to ensure provision of essential life-and-safety services. At the same time, because of the variability of public safety use, public safety users should have flexibility to lease spectrum capacity during lower-use periods to commercial users.
 - Broadcast spectrum should remain subject to the current regulatory model, which is based on statutory public interest objectives. Over the longer term, the Commission should periodically reevaluate its broadcast spectrum policies.



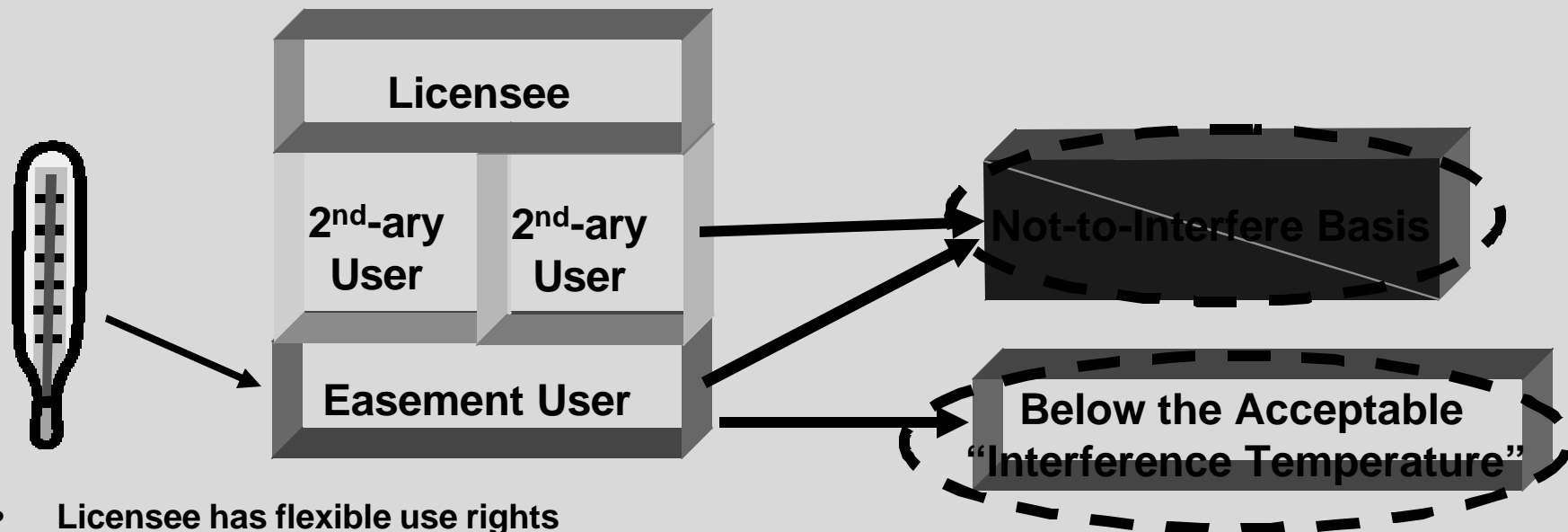
Promoting Access to Spectrum

- Designate additional bands for unlicensed spectrum use
 - better optimize spectrum access and provide room for expansion in the fast-growing market for unlicensed devices and networks
- In licensed spectrum bands, pursue secondary markets policies that encourage licensees to provide access for “opportunistic” uses above the interference temperature threshold through leasing of spectrum usage rights.
- Explore the possible use of government-granted “easements” for some opportunistic uses in new spectrum bands, but be sensitive to the potential impact on planning and investment by licensed users.



Promoting Access to Spectrum

The New Model



- **Licensee has flexible use rights**
 - Secondary Users only allowed per negotiations with Licensee
 - Easement Users can operate without Licensee consent
- **Licensee tolerates easement users operating up to defined interference temperature**
- **Operation by higher-power (above interference temperature) non-interfering (“opportunistic”) devices: 2 Options**
 - **Secondary Market approach**
 - Device operates as a Secondary User based on agreement with Licensee
 - Agreement can be negotiated directly with Licensee or through a private intermediary (e.g., band manager) that manages secondary uses on Licensee’s behalf
 - **Easement approach**
 - Device operates on a not-to-interfere basis using standard protocols; no negotiation with licensee required
 - FCC or FCC-authorized frequency coordinator administers interference issues

Promoting Access to Spectrum

- Explore ways to promote spectrum access and flexibility in rural areas, including flexible regulation of power levels, secondary markets mechanisms to encourage leasing of spectrum usage rights in rural areas, and consideration of rural issues in defining geographic licensing areas.
- Experimental spectrum uses should be encouraged through improvements to the experimental licensing frequency coordination process and dissemination of more information identifying bands that are particularly suitable for experimental applications.



Promoting Access to Spectrum

Discouraging Inefficient Use

- Situations where the Commission finds it necessary to promote spectrum or technical efficiency in order to promote particular public interest goals.
 - Consider user fees or other steps to stimulate improvements in efficiency when marketplace is inadequate.
 - To the extent that wireline or hybrid technologies may be efficient alternatives to existing use of radio spectrum in some instances, policy should promote the use of such alternatives whenever appropriate.



Thanks!

